



STATE OF CALIFORNIA
FRANCHISE TAX BOARD
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KATHLEEN CONNELL
Chair

JOHN CHIANG
Member

B. TIMOTHY GAGE
Member

MEMORANDUM

To: Gerald H. Goldberg

Date: September 12, 2002

From: Titus S. Toyama

Subject: Board Approval for Contracts Exceeding \$1 Million

This memorandum provides information for your notification to the Board pursuant to the Board's resolution requiring approval for purchases exceeding \$1 million. The following is the proposed purchase(s):

- **Software AG** – Multi-year contract for the continued licensing and maintenance of their software products on our mainframe computer. The software includes complex database operating systems for the department's critical records and additional products to allow Web access to data stored on our mainframe. The estimated cost for the five-year contract is \$2.5 million.

In addition to the approval by the Board itself, this purchase will require approval of a non-competitive bid contract justification form by our Agency, the Department of General Services and the Department of Finance. Their approval is based upon the mandate of Executive Order D-55-02. If you have any questions, please contact me at 845-4106.

Chief Financial Officer

cc: John Davies
Don Buxton
Will Bush
Dick Brothers
Larry Toliver
Dennis Boom
Bill Waltermeyer